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## FISCAL IMPACT REPORT

SPONSOR Salazar DATE TYPED 1/31/05 HB 526

SHORT TITLE Alzheimer's Disease Services SB \_\_\_\_\_

ANALYST Hanika-Ortiz

### APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY05	FY06	FY05	FY06		
	\$210.1			Recurring	General Fund

### SOURCES OF INFORMATION

LFC Files

#### Responses Received From

Aging and Long-Term Services Department (ALTSD)  
Department of Health (DOH)

### SUMMARY

#### Synopsis of Bill

House Bill 526 appropriates \$210,100 from the general fund to the ALTSD for respite services, training for caregivers and electronic devices to monitor individuals with Alzheimer's disease, or other related dementias, for the following purposes:

- \$100,500 to establish a rural, mobile daycare and respite program.
- \$10,100 to implement a crisis respite and rural voucher program.
- \$39,500 to provide staff training in residential care facilities, home health care agencies, community-based daycare and respite programs and emergency services personnel.
- \$60,000 to expand "project lifesaver" in sheriff's departments statewide. Includes fitting a participant with a bracelet similar to a watch which emits a signal that can be tracked.

#### Significant Issues

The Department of Health believes HB 526 would help provide the necessary information, support and services to the 32,000 New Mexicans who suffer from Alzheimer's or other dementias and their families and caregivers.

## **PERFORMANCE IMPLICATIONS**

Additional performance measures could be added to help reflect expanded statutory responsibilities under the acquisition of the Long-Term Care Services Program.

## **FISCAL IMPLICATIONS**

The appropriation of \$210,100 contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of FY06 shall revert to the general fund.

The Executive Budget Recommendation recommends supporting Alzheimer's respite and adult day care services with a \$500 thousand federal AOA demonstration grant administered through the ALTSD.

The ALTSD was recently awarded \$311.0 from the US Administration of Aging's Alzheimer's Disease Demonstration Grants to States Project. Funds will be used to enhance and expand current service delivery for individuals with Alzheimer's disease and related dementia, particularly in underserved rural areas and tribal communities. This will include respite care services, and regional caregiver support services.

## **ADMINISTRATIVE IMPLICATIONS**

The Long-Term Care Services Program was transferred to ALTSD in FY05. The Long-Term Care Program encompasses functions new to the department, the home and community-based long-term care programs previously administered by DOH and HSD. The purpose of the long-term services program is to administer home and community-based long-term service programs that support individuals in the least restrictive environment possible.

## **CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP**

HB 526 relates to HB 167, Statewide Senior Citizens Programs, which proposes an appropriation to the ALTSD for multiple items, including, in item (4), \$520,792 for provision of information, assistance, education and respite services to individuals with Alzheimer's disease or related disorders and their families or caregivers.

## **OTHER SUBSTANTIVE ISSUES**

Alzheimer's disease, and related dementias, is a slow, progressive and degenerative disease in which brain cells die and are not replaced. The disease impairs judgment, memory, thinking, and behavior, eventually resulting in the loss of intellectual and physical functioning. Alzheimer's disease, and related dementias, can cause a person to exhibit unusual and unpredictable behaviors that challenge caregivers, including severe mood swings, verbal or physical aggression, combativeness, repetition of words, and wandering. These behavioral changes can lead to frustration and tension, for both people with Alzheimer's and their caregivers.

According to the DOH, the Alzheimer's caregiver is often called the hidden or second victim of the disease. Stress is a serious problem that, if not recognized and managed, can affect the health of Alzheimer caregiver. Recent studies indicate that 80% of Alzheimer caregivers suffer from

high levels of stress, and nearly half suffer from depression. Caregivers often don't recognize their own needs, fail to do anything about them, or simply do not know where to turn for help. Persons isolated in rural areas may be particularly vulnerable to this problem. The provisions in HB 526 to establish a rural, mobile daycare and respite program would provide support to New Mexico's rural families impacted by Alzheimer's or other dementias.

**WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL?**

The DOH believes persons with Alzheimer's or other dementias, their families and caregivers, will continue to be underserved.

**POSSIBLE QUESTIONS**

How will the mobile respite services be rendered?

AHO/lg:yr